



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Urban Renewal Authority

Board Meeting Date: 3/10/2020

File #: 20-147, **Version:** 1

SUBJECT: GENERAL BUSINESS

A Resolution of the Board of Commissioners of the Town of Erie Urban Renewal Authority Approving the First Amendment to Redevelopment Project Reimbursement Agreement Between the Authority and RTR Birdhouse Holdings, LLC

DEPARTMENT: Economic Development

PRESENTER: Ben Pratt, Economic Development Director

TIME ESTIMATE: 10 minutes

FISCAL SUMMARY:

Cost as Recommended: \$495,000

Balance Available: \$420,000

Budget Line Item Number: 800-90-110-605000-100342

New Appropriation Required: \$75,000

STAFF RECOMMENDATION:

To amend the Birdhouse agreement with the Town of Erie to alter the terms to 75% of sales tax reimbursement over a 10-year term for a total of \$495,000 to overcome the financial gap from unforeseen expenses with the storm water system.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Background:

Town Staff requests an amendment to the original sales tax reimbursement agreement with Birdhouse LLC (February 12, 2019) where we would extend the term of the original agreement (100% sales tax of 7 years) for \$420,000 to (75% of sales tax over 10 years) for \$495,000. By approving this amendment, we will help fill the gap that exist for unforeseen expenses while installing the expanded storm water system.

This will not alter or change the supplemental agreement presented in October 2019. The attached Updated Exhibit B provides an updated budget for Storm Water installation which also requires the developer to provide a letter of credit for the infrastructure. By approving this you will allow birdhouse to continue its development as originally described.

Fiscal Impact:

The Town would extend the term of the original agreement (100% sales tax of 7 years) for \$420,000 to (75% of sales tax over 10 years) for \$495,000.

ATTACHMENTS:

1. Birdhouse Resolution
2. First Amendment to Reimbursement
3. Supplemental Agreement (Storm Water) Birdhouse
4. 526 Briggs Exhibit B Updated